

Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended and P.A. 71 of 1919, as amended

Local Government Type <input type="checkbox"/> County <input type="checkbox"/> City <input checked="" type="checkbox"/> Twp <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Unit Name Bedford Township	County Monroe
Fiscal Year End June 30, 2007	Opinion Date December 7, 2007	Date Audit Report Submitted to State December 29, 2007	

We affirm that:


We are certified public accountants licensed to practice in Michigan.

We further affirm the following material, "no" responses have been disclosed in the financial statements, including the notes, or in the Management Letter (report of comments and recommendations).

	YES	NO	Check each applicable box below. (See instructions for further detail.)
1	<input checked="" type="checkbox"/>	<input type="checkbox"/>	All required component units/funds/agencies of the local unit are included in the financial statements and/or disclosed in the reporting entity notes to the financial statements as necessary.
2	<input type="checkbox"/>	<input checked="" type="checkbox"/>	There are no accumulated deficits in one or more of this unit's unreserved fund balances/unrestricted net assets (P.A. 275 of 1980) or the local unit has not exceeded its budget for expenditures.
3	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The local unit is in compliance with the Uniform Chart of Accounts issued by the Department of Treasury.
4	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The local unit has adopted a budget for all required funds.
5	<input checked="" type="checkbox"/>	<input type="checkbox"/>	A public hearing on the budget was held in accordance with State statute.
6	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The local unit has not violated the Municipal Finance Act, an order issued under the Emergency Municipal Loan Act, or other guidance as issued by the Local Audit and Finance Division.
7	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The local unit has not been delinquent in distributing tax revenues that were collected for another taxing unit.
8	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The local unit only holds deposits/investments that comply with statutory requirements.
9	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The local unit has no illegal or unauthorized expenditures that came to our attention as defined in the Bulletin for Audits of Local Units of Government in Michigan, as revised (see Appendix H of Bulletin).
10	<input checked="" type="checkbox"/>	<input type="checkbox"/>	There are no indications of defalcation, fraud or embezzlement, which came to our attention during the course of our audit that have not been previously communicated to the Local Audit and Finance Division (LAFD). If there is such activity that has not been communicated, please submit a separate report under separate cover.
11	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The local unit is free of repeated comments from previous years.
12	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The audit opinion is UNQUALIFIED.
13	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The local unit has complied with GASB 34 or GASB 34 as modified by MCGAA Statement #7 and other generally accepted accounting principles (GAAP).
14	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The board or council approves all invoices prior to payment as required by charter or statute.
15	<input type="checkbox"/>	<input checked="" type="checkbox"/>	To our knowledge, bank reconciliations that were reviewed were performed timely.

If a local unit of government (authorities and commissions included) is operating within the boundaries of the audited entity and is not included in this or any other audit report, nor do they obtain a stand-alone audit, please enclose the name(s), address(es), and a description(s) of the authority and/or commission.

I, the undersigned, certify that this statement is complete and accurate in all respects.

We have enclosed the following:		Enclosed	Not Required (enter a brief justification)
Financial Statements		<input checked="" type="checkbox"/>	
The letter of comments and recommendations.		<input checked="" type="checkbox"/>	
Other (Describe)		<input type="checkbox"/>	
Certified Public Account (Firm Name) McGuire & McDole CPAs		Telephone Number 734-854-5044	
Street Address 6588 Secor Road		City Lambertville	State MI
			Zip 48144
Authorizing CPA Signature 		Printed Name L. Donavon McGuire	
		License Number 1101008386	



McGuire & McDole
Certified Public Accountants

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Tel 734-854-5044
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December 7, 2007

Bedford Township Board
Temperance, MI

Dear Board Members,

Our audit of the financial statements of Bedford Township for the year ended June 30, 2007, was made in accordance with the generally accepted auditing standards which require that we determine that existing internal controls, accounting procedures and accounting records are adequate to allow us to express an opinion on the financial statements of the Township. The scope of our audit is not intended to be a detailed review of all systems and procedures; therefore, this report should not be considered all inclusive.

We have the following comments:

Excess Expenditures – The Township had five activities and one fund with expenditures in excess of the adjusted budget amount. All expenditures must be within the amounts appropriated.

Deficit Fund Balance – At June 30, 2007, the Township had one capital project fund with a deficit balance. A deficit elimination plan must be filed with Michigan Treasury Department for the fund.

Subsidiary Ledgers – Subsidiary ledgers for special assessments, tap ins, block grants and prepaid expenses were not updated and adequately maintained through the year. All entries to these ledgers should be posted and the detail totals balanced to the control accounts.

Retirees' Health Insurance – The Township should consider creating a fund to provide for current and future retirees' health insurance. Government Accounting Standards Board Statement No. 45 requires full accrual of retiree health benefits commencing in 2009. The Township should have an actuarial study performed in order to determine the correct amount of current contributions and future liabilities.

Rehabilitation Loans & Grants – During the year some properties, which were subject to liens, changed title without the lien being repaid. Collection of such liens should be pursued. In addition some properties were foreclosed. Receivables from foreclosed properties must be written off each year if necessary.

Sewer Accounts Receivable – Quarterly sewer billings were in some instances duplicated in the ledgers and the ledger controls were not reconciled to the detail receivables. The detail should be balanced to the controls each quarter after the billing process.

Misclassifications – There were several misclassifications in the revenue accounts. Due care should be taken in classifying revenues.

Account Balances – Some accounts with nominal debit balances (travel advances) and nominal credit balances (accounts payable, tax withholding accounts) were found to have the opposite balance indicating posting errors or misclassifications.

Interfund Balances – Interfund payables and receivables were not reconciled. These items should be balanced at least quarterly.

Bank Reconciliations – Bank accounts were not reconciled for an eight month period, including four months past June 30, 2007. It is imperative that all bank accounts be reconciled from the Treasurers records to the Clerk's books on a timely basis. We deem this a material weakness in internal control. A material weakness is a significant deficiency in controls that results in more than a remote likelihood that material misstatement of the financial statements will not be prevented or detected.

Sewer Billing Adjustments – Billing adjustments generally originate from South County Water. A written record of the notification from South County Water should be maintained and include any adjustments authorized by Township officials.

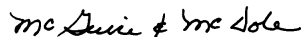
Sewer Debt Service Fund – Two years remain on the debt related to this fund and is paid from taxes levied. A cash flow projection should be prepared to prevent excess levy amounts.

Journal Entries – The Township recorded journal entries without explanation or documentation. All journal entries must have support for the reason the entry was made and a record of the accounts affected.

Future Revenues - The State of Michigan budget deficit and the decline in the housing market may both have an impact on the Township's revenues related to state shared revenue, taxable value and building permits. The forecasted revenues and collections should closely monitored.

We would like to take this opportunity to thank both the Board Officials and the employees who provided assistance to us during our audit. If you have any questions regarding any of the suggestions noted above or would like assistance in their implementation, please contact us.

Sincerely,

A handwritten signature in cursive script that reads "McGuire & McDole".

McGuire & McDole
Certified Public Accountants

BEDFORD TOWNSHIP

Monroe County, Michigan

FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2007

Comprehensive Annual Financial Report
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BEDFORD TOWNSHIP

LIST OF ELECTED AND APPOINTED OFFICIALS

ELECTED OFFICIALS

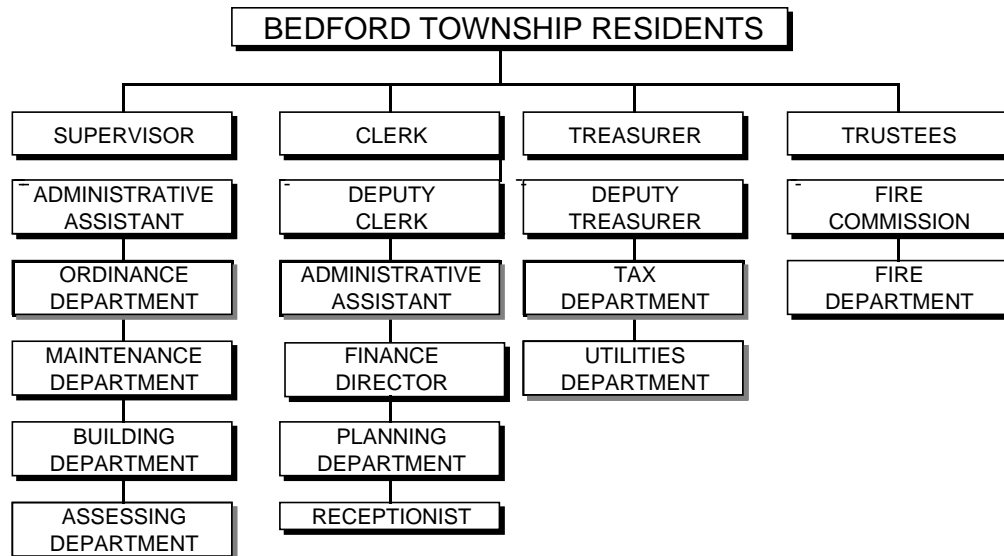
Walter C. Wilburn	Supervisor
Robert A. Schockman	Clerk
Sherri S. Meyer	Treasurer
Paul R. Francis	Trustee
Richard A. Steiner, Jr.	Trustee
Lawrence R. O'Dell	Trustee
Dennis D. Steinman	Trustee

APPOINTED OFFICIALS

Dennis Kolar	Building Inspector
Chris Renius	Assessing Department
Dennis Jenkins	Planning and Zoning Director
John Bofia	Fire Chief

BEDFORD TOWNSHIP

ORGANIZATION CHART





INDEPENDENT AUDITOR'S REPORT

Township Board
Bedford Township
Temperance, MI 48182

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the Township of Bedford, Michigan as of and for the year ended June 30, 2007, which collectively comprise the Township's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Bedford Township, Michigan as of June 30, 2007, and the respective changes in financial position, and cash flows where applicable, thereof for the year then ended in conformity with generally accepted accounting principles in the United States of America.

The management's discussion and analysis and budgetary comparison information on pages 4 through 10 and 35 through 36 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consist principally of inquires of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion in it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of Bedford's basic financial statements. The supplementary combining nonmajor fund financial statements and budgetary comparisons are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary combining nonmajor fund financial statements and budgetary comparisons have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables, as listed in the table of contents, have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

McGuire & McDole

McGuire & McDole
Certified Public Accountants

December 7, 2007

As management of Bedford Township, we offer readers of Bedford Township's financial statements this narrative overview and analysis of the financial activities of Bedford Township for the fiscal year ended June 30, 2007. We encourage readers to consider the information presented here.

Financial Highlights

The assets of Bedford Township exceeded its liabilities at the close of the most recent fiscal year by \$41,863,641 (*net assets*). Of this amount, \$11,190,131 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.

The government's total net assets decreased by \$547,817. This decrease is attributable to a new assessment public works expenditures.

As of the close of the current fiscal year, Bedford Township's governmental funds reported combined ending fund balances of \$9,305,530, a increase of \$1,095,755 in comparison with the prior year. Approximately 78 percent of this total amount, \$7,326,536, is available for spending at the government's discretion (unreserved fund balance).

At the end of the current fiscal year, unreserved fund balance for the general fund was \$2,975,320, or 81 percent of total general fund expenditures.

Bedford Township's total debt increased by \$2,468,100 (26 percent) during the current fiscal year.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Bedford Township's basic financial statements. Bedford Township's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements The government-wide financial statements are designed to provide readers with a broad overview of Bedford Township's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of Bedford Township's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Bedford Township is improving or deteriorating.

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Bedford Township that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of Bedford Township include general government, public safety, highways and streets, economic development, and community enrichment and recreation. The business type activities of Bedford Township include water and sewer activities.

The government-wide financial statements include not only Bedford Township itself (known as the primary government), but also a legally separate Downtown Development Authority, Economic Development Authority and a Brownfield Redevelopment Authority for which Bedford Township is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 11-12 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Bedford Township, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Bedford Township can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Bedford Township maintains sixteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general, fire, water, Greenhills debt and library funds, which are considered to be major funds. Data from the eleven other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

Bedford Township adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 13-14 of this report.

Proprietary funds. Bedford Township maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Bedford Township uses enterprise funds to account for its Sewer operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Sewer operations, which is considered to be a major fund of Bedford Township.

The basic proprietary fund financial statements can be found on pages 15-17 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support Bedford Township's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 18-19 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 23-34 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information, which is found on pages 35-36 of this report.

The combining statements and schedules referred to earlier in connection with nonmajor governmental funds can be found on pages 37-46 of this report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the Bedford Township, assets exceeded liabilities by \$41,863,641 at the close of the most recent fiscal year.

By far the largest portion of the Bedford Township's net assets (57 percent) reflects its investment in capital assets (e.g., land, building, machinery and equipment) less any related debt used to acquire those assets that is still outstanding. Bedford Township uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Bedford Township's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Bedford Township's Net Assets

	<i>Governmental Activities</i>		<i>Business-type Activities</i>		<i>Total</i>	
	<i>2007</i>	<i>2006</i>	<i>2007</i>	<i>2006</i>	<i>2007</i>	<i>2006</i>
Current and other assets	\$ 13,014,907	\$ 12,213,751	\$ 9,856,545	\$ 9,238,394	\$ 22,871,452	\$ 21,452,145
Capital assets	12,891,524	11,165,654	19,779,590	20,250,646	32,671,114	31,416,300
Total assets	25,906,431	23,379,405	29,636,135	29,489,040	55,542,566	52,868,445
Long-term liabilities						
outstanding	8,604,900	4,809,900	3,135,000	3,525,000	11,739,900	8,334,900
Other liabilities	971,617	1,494,456	967,408	627,631	1,939,025	2,122,087
Total liabilities	9,576,517	6,304,356	4,102,408	4,152,631	13,678,925	10,456,987
Net assets:						
Invested in capital assets,						
net of related debt	7,531,484	7,140,654	16,254,590	16,335,646	23,786,074	23,476,300
Restricted	1,978,994	2,964,900	4,908,442	4,881,609	6,887,436	7,846,509
Unrestricted	6,819,436	6,969,495	4,370,695	4,119,154	11,190,131	11,088,649
Total net assets	\$ 16,329,914	\$ 17,075,049	\$ 25,533,727	\$ 25,336,409	\$ 41,863,641	\$ 42,411,458

At the end of the current fiscal year, the Bedford Township is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

There was a increase of \$26,833 in restricted net assets reported in connection with the Bedford Township's business-type activities.

The government's net assets increased by \$547,817 during the current fiscal year. This is mainly attributable to an increase in assessment revenue from the prior year.

Governmental activities. Governmental activities decreased Bedford Township's net assets by \$745,135.

Key elements of this decrease are as follows:

Bedford Township's Changes in Net Assets

	<i>Governmental Activities</i>		<i>Business-type Activities</i>		<i>Total</i>	
	<i>2007</i>	<i>2006</i>	<i>2007</i>	<i>2006</i>	<i>2007</i>	<i>2006</i>
Revenues:						
Program revenues:						
Charges for services	\$ 338,765	\$ 408,531	\$ 2,653,528	\$ 2,535,469	\$ 2,992,293	\$ 2,944,000
Operating grants and contributions	-	114,972			-	114,972
Capital grants and contributions	-	1,998,403	-	-	-	1,998,403
General revenues:						
Property taxes	3,530,849	2,864,806	-	-	3,530,849	2,864,806
State shared revenues	1,966,400	2,026,757	-	-	1,966,400	2,026,757
Franchise fees and permits	212,679	192,365	-	-	212,679	192,365
Interest and other	922,577	760,871	340,322	288,168	1,262,899	1,049,039
Total revenues	6,971,270	8,366,705	2,993,850	2,823,637	9,965,120	11,190,342
Expenses:						
General government	2,465,977	2,465,828	-	-	2,465,977	2,465,828
Public safety	2,058,345	2,048,039	-	-	2,058,345	2,048,039
Public works	2,352,092	880,837	-	-	2,352,092	880,837
Culture and recreation	505,988	422,436	-	-	505,988	422,436
Interest on long-term debt	334,003	202,709	-	-	334,003	202,709
Sewer	-	-	2,796,532	2,851,551	2,796,532	2,851,551
Total expenses	7,716,405	6,019,849	2,796,532	2,851,551	10,512,937	8,871,400
Increase in net assets	(745,135)	2,346,856	197,318	(27,914)	(547,817)	2,318,942
Net assets - beginning	17,075,049	14,728,193	25,336,409	25,364,323	42,411,458	40,092,516
Net assets - ending	\$ 16,329,914	\$ 17,075,049	\$ 25,533,727	\$ 25,336,409	\$ 41,863,641	\$ 42,411,458

Property taxes increased by \$666,043 (23 percent) during the year. Most of this increase is the product of a voted tax for law enforcement.

State shared revenues decreased 3 percent due to budget constraints of the State of Michigan.

Expenses were increased overall from the prior year, all categories increased.

Capital contributions decreased by \$1,998,403.

Business-type activities. Business-type activities decreased the Bedford Township's net assets by \$197,318. Key elements of this increase are as follows.

* Charges for services for business-type activities increased by 5 percent. The Sewer system accounts for all of this increase, which resulted from the approval of a rate increase designed primarily to provide additional resources to meet debt requirements. Revenues also increased as result of a modest increase in demand in the Sewer system.

*Expenses decreased overall by \$55,019 and revenues exceed expenses.

Financial Analysis of the Government's Funds

As noted earlier Bedford Township uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of Bedford Township's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Bedford Township's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, Bedford Township's governmental funds reported combined ending fund balances of \$9,305,530, a decrease of \$1,095,755 in comparison with the prior year. Approximately 79 percent of this total amount constitutes unreserved fund balance, which is available for spending at the government's discretion. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed 1) to road construction and capital improvements, and 2) to pay debt service.

The general fund is the chief operating fund of the Bedford Township. At the end of the current fiscal year, unreserved fund balance of the general fund was \$2,975,320, while total fund balance reached \$3,119,524. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 81 percent of total general fund expenditures, while total fund balance represents 85 percent of that same amount.

The fund balance of Bedford Township's general fund decreased by \$228,586 during the current fiscal year. Key growth factors are as follows:

*An increase in property taxes of \$51,313.

*All other revenues of the general fund increased by \$50,429.

*Expenditures increased by \$213,365 attributable to Public Works.

Proprietary fund. Bedford Township's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net assets of the Sewer system at the end of the year amounted to \$4,370,695. The total increase in net assets was \$197,318. Other factors concerning the finances of this fund has already been addressed in the discussion of the Bedford Township's business-type activities.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget were approximately 43% and can briefly summarized as follows:

- * \$1,116,020 in miscellaneous increases in general government activities
- * \$245,250 in increases allocated to public works

This increase was to be budgeted from available fund balance and increased revenues. During the year, however, budgetary expenditures were less than budgetary estimates, thus eliminating the need to draw on existing fund balance.

Capital Asset and Debt Administration

Capital assets. Bedford Township's investment in capital assets for its governmental and business type activities as of June 30, 2007, amounts to \$32,671,074 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system, improvements, machinery and equipment and park facilities,.

Major capital asset events during the current fiscal year included the following:

- * Construction of a new government center.
- * Continuation of improvements to the sewer treatment plant.

Bedford Township's Capital Assets (net of depreciation)

	<i>Governmental Activities</i>		<i>Business-type Activities</i>		<i>Total</i>	
	<i>2007</i>	<i>2006</i>	<i>2007</i>	<i>2006</i>	<i>2007</i>	<i>2006</i>
Land	\$ 636,785	\$ 636,785	\$ 40,000	\$ 40,000	\$ 676,785	\$ 676,785
Buildings and system	5,199,938	5,420,432	17,771,673	18,452,519	22,971,611	23,872,951
Improvements other than buildings	97,658	101,614	-	-	97,658	101,614
Machinery and equipment	2,203,152	2,371,040	70,968	67,721	2,274,120	2,438,761
Infrastructure	2,643,329	2,635,783	-	-	2,643,329	2,635,783
Construction in progress	2,110,622	-	1,896,949	1,690,406	4,007,571	1,690,406
Total	<u>\$ 12,891,484</u>	<u>\$ 11,165,654</u>	<u>\$ 19,779,590</u>	<u>\$ 20,250,646</u>	<u>\$ 32,671,074</u>	<u>\$ 31,416,300</u>

Additional information on Bedford Township's capital assets can be found in note 6 on pages 30-31 of this report.

Long-term debt. At the end of the current fiscal year, the Bedford Township had total bonded debt outstanding of \$12,129,900. Of this amount, \$5,854,900 comprises county contracts and \$6,275,000 is limited tax general obligation debt.

**Bedford Township's Outstanding Debt
County Contracts and Limited Tax General Obligation**

	<i>Governmental Activities</i>		<i>Business-type Activities</i>		<i>Total</i>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
County Contractual Obligations	\$ 2,329,900	\$ 2,831,800	\$ 3,525,000	\$ 3,915,000	\$ 5,854,900	\$ 6,746,800
Limited Tax General Obligation						
Bonds	<u>6,275,000</u>	<u>2,915,000</u>	<u>-</u>	<u>-</u>	<u>6,275,000</u>	<u>2,915,000</u>
Total	<u>\$ 8,604,900</u>	<u>\$ 5,746,800</u>	<u>\$ 3,525,000</u>	<u>\$ 3,915,000</u>	<u>\$ 12,129,900</u>	<u>\$ 9,661,800</u>

Bedford Township's total debt increased by \$2,468,100 during the current fiscal year.

Bedford Township and its Sewer systems both maintain an "A+" rating from Standard & Poor's and Fitch and an "Aa" rating from Moody's for general obligation debt.

State statutes limit the amount of general obligation debt a governmental entity may issue to 5 percent of its total assessed valuation. The current debt limitation for the Bedford Township is \$60,847,000, which is significantly in excess of Bedford Township's outstanding general obligation debt.

Additional information on the Bedford Township's long-term debt can be found in note 9 on page 32 of this report.

Economic Factors and Next Year's Budgets and Rates .

Residential growth is expected to continue but at a more moderate rate.

These factors were considered in preparing Bedford Township's budget for the 2008 fiscal year.

During the current fiscal year, the unreserved fund balance in the general fund increased to \$2,975,320. Bedford Township has appropriated \$1,343,000 of this amount for spending in the 2008 fiscal year budget. It is intended that this use of available fund balance will avoid the need to raise taxes or charges during the 2008 fiscal year. The Sewer rates were increased for the 2008 budget year. The sewer rates were increased by an average of 3.6 percent for all customers.

Requests for Information

This financial report is designed to provide a general overview of the Bedford Township's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Clerk, 8100 Jackman Road, PO Box H, Temperance, MI 48182.

BEDFORD TOWNSHIP
GOVERNMENT WIDE STATEMENT OF NET ASSETS
JUNE 30, 2007

	Primary Government			
	Governmental Activities	Business - Type Activities	Total	Component Units
Assets				
Cash and Cash Equivalents	\$ 9,619,645	\$ 3,158,679	\$ 12,778,324	\$ 764,576
Receivables (Net of Allowance for Uncollectibles):				
Accounts	36,892	1,037,772	1,074,664	-
Assessments	2,740,933	-	2,740,933	213,153
Tap-Ins	1,506	-	1,506	-
Loans	133,015	-	133,015	-
Grants	-	-	-	-
Prepaid Expenses	126,542	364,234	490,776	-
Due From State of Michigan	339,509	-	339,509	-
Internal Balances	16,561	(16,561)	-	-
Restricted Cash With Fiscal Agent	304	5,312,421	5,312,725	-
Capital Assets:				
Land	636,785	40,000	676,785	-
Buildings and System	6,539,929	34,042,275	40,582,204	-
Improvements Other than Buildings	103,440	-	103,440	5,200
Machinery and Equipment	6,202,871	506,459	6,709,330	-
Infrastructure	2,963,810	-	2,963,810	32,672
Construction in Progress	2,110,662	1,896,949	4,007,611	-
Less Accumulated Depreciation	(5,665,973)	(16,706,093)	(22,372,066)	(11,735)
Total Assets	25,906,431	29,636,135	55,542,566	1,003,866
Liabilities				
Accounts Payable	790,203	556,719	1,346,922	1,317
Inspection Fees Payable	-	-	-	-
Accrued Wages	36,025	1,359	37,384	-
Accrued Compensated Absences	89,172	623	89,795	-
Accrued Payroll Taxes	6,201	281	6,482	-
Accrued Interest Payable	50,016	16,175	66,191	7,400
Due to County	-	2,251	2,251	-
Noncurrent Liabilities:				
Due Within One Year	1,185,350	390,000	1,575,350	116,667
Due in More Than One Year	7,419,550	3,135,000	10,554,550	530,139
Total Liabilities	9,576,517	4,102,408	13,678,925	655,523
Net Assets				
Invested in Capital Assets Net of Related Debt	7,531,484	16,254,590	23,786,074	26,137
Restricted for:				
Road Construction	50,000	-	50,000	-
Building Improvements	465,000	-	465,000	-
System Replacement	-	3,452,000	3,452,000	-
Debt Service	1,337,452	1,456,442	2,793,894	-
Other	126,542	-	126,542	-
Unrestricted	6,819,436	4,370,695	11,190,131	322,206
Total Net Assets	\$ 16,329,914	\$ 25,533,727	\$ 41,863,641	\$ 348,343

See Accompanying Notes to the Financial Statements.

BEDFORD TOWNSHIP

GOVERNMENT WIDE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2007

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			Component Units
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-Type Activities	Total	
Primary Government								
Governmental Activities:								
General Government	\$ 2,465,977	\$ 26,835	\$ -	\$ -	\$ (2,439,142)	\$ -	\$ (2,439,142)	\$ -
Public Safety	2,058,345	311,930	-	-	(1,746,415)	-	(1,746,415)	-
Public Works	2,352,092	-	-	-	(2,352,092)	-	(2,352,092)	-
Culture and Recreation	505,988	-	-	-	(505,988)	-	(505,988)	-
Interest on Long-Term Debt	334,003	-	-	-	(334,003)	-	(334,003)	-
Total Governmental Activities	<u>7,716,405</u>	<u>338,765</u>	<u>-</u>	<u>-</u>	<u>(7,377,640)</u>	<u>-</u>	<u>(7,377,640)</u>	<u>-</u>
Business-Type Activities:								
Sewer	2,796,532	2,653,528	-	-	-	(143,004)	(143,004)	-
Total Business-type Activities	<u>2,796,532</u>	<u>2,653,528</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(143,004)</u>	<u>(143,004)</u>	<u>-</u>
Component Units	<u>74,630</u>	<u>500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(74,130)</u>
Total Primary Government	<u>\$ 10,587,567</u>	<u>\$ 2,992,793</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(7,377,640)</u>	<u>(143,004)</u>	<u>(7,520,644)</u>	<u>(74,130)</u>
General Revenues:								
Property Taxes					3,530,849	-	3,530,849	238,203
State Shared Revenues					1,966,400	-	1,966,400	-
Franchise Fees					212,679	-	212,679	-
Unrestricted Investment Earnings					499,467	340,322	839,789	45,475
Miscellaneous					423,110	-	423,110	35,028
Total General Revenues and Transfers					<u>6,632,505</u>	<u>340,322</u>	<u>6,972,827</u>	<u>318,706</u>
Change in Net Assets					(745,135)	197,318	(547,817)	244,576
Net Assets - Beginning					<u>17,075,049</u>	<u>25,336,409</u>	<u>42,411,458</u>	<u>103,767</u>
Net Assets - Ending					<u>\$ 16,329,914</u>	<u>\$ 25,533,727</u>	<u>\$ 41,863,641</u>	<u>348,343</u>

See Accompanying Notes to the Financial Statements.

BEDFORD TOWNSHIP
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2007

	<u>General</u>	<u>Township Hall Construction</u>	<u>Road Capital Improvement</u>	<u>Water</u>	<u>Greenhill Debt</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets							
Cash and Cash Equivalents	\$ 2,946,258	\$ 134,190	\$ 149,311	\$ 2,098,021	\$ 336,136	\$ 3,955,729	\$ 9,619,645
Accounts Receivable	32,333	-	-	1,472	-	3,087	36,892
Prepaid Costs	94,204	-	-	-	-	32,338	126,542
Loans Receivable	-	-	-	-	-	133,015	133,015
Grants Receivable	-	-	-	-	-	-	-
Tap-Ins Receivable	-	-	-	1,506	-	-	1,506
Assessments Receivable	53,743	-	-	931,210	1,460,957	295,023	2,740,933
Due From Other Funds	38,863	-	-	-	-	292	39,155
Due From State of Michigan	339,509	-	-	-	-	-	339,509
Restricted Cash	-	-	-	-	-	304	304
Total Assets	\$ 3,504,910	\$ 134,190	\$ 149,311	\$ 3,032,209	\$ 1,797,093	\$ 4,419,788	\$ 13,037,501
Liabilities							
Accounts Payable	\$ 297,528	\$ 298,998	\$ 47,909	\$ 27,654	-	\$ 118,114	\$ 790,203
Accrued Wages	26,400	-	-	-	-	9,625	36,025
Accrued Payroll Taxes	4,715	-	-	-	-	1,486	6,201
Compensated Absences Payable	3,000	-	-	-	-	-	3,000
Due to Other Funds	-	-	-	-	-	22,594	22,594
Deferred Revenue	53,743	-	-	931,210	1,460,957	428,038	2,873,948
Total Liabilities	385,386	298,998	47,909	958,864	1,460,957	579,857	3,731,971
Fund Balances							
Fund Balances:							
Reserved for:							
Road Construction	50,000	-	-	-	-	-	50,000
Capital Improvements	-	-	-	-	-	465,000	465,000
Debt	-	-	-	552,708	336,136	448,608	1,337,452
Prepaid Expense	94,204	-	-	-	-	32,338	126,542
Unreserved, Reported in:							
General Fund	2,975,320	-	-	-	-	-	2,975,320
Capital Projects	-	(164,808)	101,402	-	-	-	(63,406)
Special Revenue Funds	-	-	-	1,520,637	-	2,893,985	4,414,622
Total Fund Balances	3,119,524	(164,808)	101,402	2,073,345	336,136	3,839,931	9,305,530
Total Liabilities and Fund Balances	\$ 3,504,910	\$ 134,190	\$ 149,311	\$ 3,032,209	\$ 1,797,093	\$ 4,419,788	
Amounts reported for governmental activities in the statement of net assets are different because:							
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.							12,891,524
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.							2,873,948
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.							(8,741,088)
Net Assets of Governmental Activities							\$ 16,329,914

See Accompanying Notes to the Financial Statements.

BEDFORD TOWNSHIP
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2007

	General	Township Hall Construction	Road Capital Improvement	Water	Greenhill Debt	Other Governmental Funds	Total Governmental Funds
Revenues:							
Taxes	\$ 847,380	\$ -	\$ -	\$ -	\$ -	\$ 2,683,469	\$ 3,530,849
Licenses and Permits	228,117	-	-	-	-	296,492	524,609
Intergovernmental:							
State Grants	1,966,400	-	-	-	-	-	1,966,400
Charges for Services	26,835	-	-	-	-	-	26,835
Assessments	-	-	-	206,835	397,032	47,896	651,763
Fines and Forfeits	26,346	-	-	-	-	-	26,346
Interest	140,779	35,462	12,299	138,833	9,004	163,090	499,467
Other Revenues	334,418	-	-	37,334	-	58,044	429,796
Total Revenues	<u>3,570,275</u>	<u>35,462</u>	<u>12,299</u>	<u>383,002</u>	<u>406,036</u>	<u>3,248,991</u>	<u>7,656,065</u>
Expenditures:							
Current:							
General Government	2,229,086	-	-	-	-	178,640	2,407,726
Public Safety	688,696	-	-	-	-	1,086,483	1,775,179
Public Works	518,176	-	1,737,356	37,283	-	-	2,292,815
Recreational and Cultural	-	-	-	-	-	272,911	272,911
Other	-	-	-	-	-	-	-
Capital Outlay	-	2,110,622	-	-	-	244,969	2,355,591
Debt Service:							
Principal	145,000	-	-	185,000	20,000	651,900	1,001,900
Interest and Fiscal Charges	77,903	-	-	32,718	49,900	153,667	314,188
Total Expenditures	<u>3,658,861</u>	<u>2,110,622</u>	<u>1,737,356</u>	<u>255,001</u>	<u>69,900</u>	<u>2,588,570</u>	<u>10,420,310</u>
Excess of Revenue Over (Under) Expenditures	<u>(88,586)</u>	<u>(2,075,160)</u>	<u>(1,725,057)</u>	<u>128,001</u>	<u>336,136</u>	<u>660,421</u>	<u>(2,764,245)</u>
Other Financing Sources (Uses):							
Bond Proceeds	-	2,000,000	1,860,000	-	-	-	3,860,000
Transfers In	-	-	-	-	-	140,000	140,000
Transfers Out	<u>(140,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(140,000)</u>
Total Other Financing Sources (Uses)	<u>(140,000)</u>	<u>2,000,000</u>	<u>1,860,000</u>	<u>-</u>	<u>-</u>	<u>140,000</u>	<u>3,860,000</u>
Net Change in Fund Balances	<u>(228,586)</u>	<u>(75,160)</u>	<u>134,943</u>	<u>128,001</u>	<u>336,136</u>	<u>800,421</u>	<u>1,095,755</u>
Fund Balance - Beginning	<u>3,348,110</u>	<u>(89,648)</u>	<u>(33,541)</u>	<u>1,945,344</u>	<u>-</u>	<u>3,039,510</u>	
Fund Balance - Ending	<u>\$ 3,119,524</u>	<u>\$ (164,808)</u>	<u>\$ 101,402</u>	<u>\$ 2,073,345</u>	<u>\$ 336,136</u>	<u>\$ 3,839,931</u>	

Amounts reported for governmental activities in the statement of activities are different because:

-Governmental funds report capital outlays as expenditures; in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	1,725,870
-Special assessment and similar revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(684,795)
-Issuance of debt is not reported as financing sources in the statement of activities	(3,860,000)
-Repayment of bond principal is an expenditure in the governmental funds, but not in the statement of activities (where it reduces long-term debt)	1,001,900
-Increases in accumulated employee vacation pay and similar expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	(23,865)
Change in Net Assets of Governmental Activities	<u>\$ (745,135)</u>

See Accompanying Notes to the Financial Statements.

BEDFORD TOWNSHIP
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2007

	<i>Business-type Activities - Enterprise Funds</i>	
	<i>Sewer Fund Current Year</i>	<i>Sewer Fund Prior Year</i>
Assets		
Current Assets:		
Cash and Cash Equivalents	\$ 3,158,679	\$ 3,302,451
Accounts Receivable	1,037,772	997,515
Prepaid Expense	364,234	275
Total Current Assets	<u>4,560,685</u>	<u>4,300,241</u>
Noncurrent Assets		
Cash With Fiscal Agent	5,312,421	4,958,485
Capital Assets		
Land	40,000	40,000
Construction in Progress	1,896,949	1,690,406
Buildings and System	34,042,275	34,042,275
Machinery and Equipment	506,459	487,234
Less Accumulated Depreciation	<u>(16,706,093)</u>	<u>(16,009,269)</u>
Total Assets	<u>29,652,696</u>	<u>29,509,372</u>
Liabilities		
Current Liabilities:		
Accounts Payable	556,719	210,136
Accrued Wages	1,359	1,483
Compensated Absences	623	7,210
Accrued Payroll Taxes	281	306
Accrued Interest Payable	16,175	16,175
Due to Other Funds	16,561	20,332
Due to County	2,251	2,321
Current Portion of Noncurrent Liabilities	<u>390,000</u>	<u>390,000</u>
Total Current Liabilities	<u>983,969</u>	<u>647,963</u>
Noncurrent Liabilities		
Bonds Payable	<u>3,135,000</u>	<u>3,525,000</u>
Total Liabilities	<u>4,118,969</u>	<u>4,172,963</u>
Net Assets:		
Invested in Capital Assets, Net of Related Debt	16,254,590	16,335,646
Restricted For Replacement	3,452,000	3,452,000
Restricted For Debt Retirement	1,456,442	1,429,609
Unrestricted	<u>4,370,695</u>	<u>4,119,154</u>
Total Net Assets	<u>\$ 25,533,727</u>	<u>\$ 25,336,409</u>

See Accompanying Notes to the Financial Statements.

STATEMENT OF REVENUE, EXPENSES AND CHANGES IN FUND NET ASSETS

PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2007

	<i>Business-type Activities - Enterprise Funds</i>	
	<i>Sewer Fund Current Year</i>	<i>Sewer Fund Prior Year</i>
Operating Revenue:		
Use Charges	\$ 2,572,654	\$ 2,445,102
Tap-In Fees	52,150	67,875
Penalties	28,724	22,492
Total Operating Revenue	<u>2,653,528</u>	<u>2,535,469</u>
Operating Expenses:		
Contracted Operations and Maintenance	1,806,729	1,889,283
Depreciation	696,824	703,298
Office Salaries	63,861	54,577
Office Supplies	7,061	8,505
Professional Fees	8,165	8,045
Employees' Fringe Benefits	42,827	39,806
Administrative Expense	21,446	21,388
Maintenance	37,717	30,846
Other	13,319	15,507
Total Operating Expenses	<u>2,697,949</u>	<u>2,771,255</u>
Operating Income	<u>(44,421)</u>	<u>(235,786)</u>
Non-Operating Revenue:		
Interest Revenue	340,322	288,168
Non-Operating Expenses:		
Interest Expense	<u>(98,583)</u>	<u>(80,296)</u>
Net Income	197,318	(27,914)
Total Net Assets - Beginning	<u>25,336,409</u>	<u>25,364,323</u>
Total Net Assets - Ending	<u>\$ 25,533,727</u>	<u>\$ 25,336,409</u>

See Accompanying Notes to the Financial Statements.

BEDFORD TOWNSHIP
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2007

	<i>Business-type Activities - Enterprise Funds</i>	
	<i>Sewer Fund Current Year</i>	<i>Sewer Fund Prior Year</i>
<i>Cash Flows from Operating Activities:</i>		
Receipts from customers and users	\$ 2,613,271	\$ 2,411,754
Payments to suppliers	(1,954,640)	(2,326,685)
Payments to employees	(74,438)	(54,668)
Net Cash Provided by Operating Activities	584,193	30,401
<i>Cash Flows from Capital and Related Financing Activities:</i>		
Purchase of Capital Assets	(225,768)	(1,314,510)
Sale of Capital Assets	-	-
Principal Paid on Bonds	(390,000)	(335,000)
Issuance of Bonds	-	1,350,000
Interest Paid on Bonds	(98,583)	(80,296)
Net Cash Used For Capital and Related Financing Activities	(714,351)	(379,806)
<i>Cash Flows from Investing Activities:</i>		
Interest on Investments	340,322	288,168
Net Cash Provided by Investing Activities	340,322	288,168
Net Increase In Cash and Cash Equivalents	210,164	(61,237)
Cash and Cash Equivalents - Beginning	8,260,936	8,322,173
Cash and Cash Equivalents - Ending	\$ 8,471,100	\$ 8,260,936
<i>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:</i>		
Operating Income	\$ (44,421)	\$ (649,186)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation	696,824	703,298
Changes in Current Assets and Liabilities:		
Accounts Receivable	(40,257)	(123,715)
Accounts Payable	346,583	95,725
Accrued Wages	(124)	109
Compensated Absences	(6,587)	(673)
Accrued Payroll Taxes	(25)	22
Due to Other Funds	(3,770)	3,030
Due to Monroe County	(71)	(496)
Prepaid Expense	(363,959)	2,287
Total Adjustments and Changes	628,614	679,587
Net Cash Provided By Operating Activities	\$ 584,193	\$ 30,401

See Accompanying Notes to the Financial Statements.

BEDFORD TOWNSHIP
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2007

	<i>Pension Fund</i>	<i>Cemetery Fund</i>
	<u> </u>	<u> </u>
Assets		
Cash and Cash Equivalents	\$ -	\$ 5,847
Investments at Fair Value:		
Mutual Funds	<u>1,499,479</u>	<u>-</u>
Total Assets	1,499,479	5,847
Liabilities		
Due to Others	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>-</u>
Net Assets		
Held in Trust for Pension Benefits and Other Purposes	<u><u>\$ 1,499,479</u></u>	<u><u>\$ 5,847</u></u>

See Accompanying Notes to the Financial Statements.

BEDFORD TOWNSHIP

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2007

	<i>Pension Fund</i>	<i>Cemetery Fund</i>
Additions:		
Contributions:		
Employer	\$ 151,125	\$ -
Plan Members	11,796	-
Total Contributions	<u>162,921</u>	<u>-</u>
Investment Earnings	<u>148,264</u>	<u>271</u>
Total Additions	<u>311,185</u>	<u>271</u>
Deductions:		
Administrative Expenses	11,643	-
Benefits	224,668	-
Total Deductions	<u>236,311</u>	<u>-</u>
Net Change	74,874	271
Net Assets - Beginning	<u>1,424,605</u>	<u>5,576</u>
Net Assets - Ending	<u>\$ 1,499,479</u>	<u>\$ 5,847</u>

See Accompanying Notes to the Financial Statements.

STATEMENT OF NET ASSETS - COMPONENT UNITS

JUNE 30, 2007

	<i>Economic Development Corporation</i>	<i>Downtown Development Authority</i>	<i>Brownfield Redevelopment Authority</i>	<i>Total Component Units</i>
Assets				
Cash and Cash Equivalents	\$ 14,020	\$ 749,566	\$ 990	\$ 764,576
Investments				-
Receivables (Net of Allowance for Uncollectibles):				
Assessments	-	213,153	-	213,153
Accounts	-		-	-
Prepaid Expenses	-		-	-
Capital Assets:				-
Improvements Other than Buildings	5,200	-	-	5,200
Infrastructure	-	32,672	-	32,672
Less Accumulated Depreciation	(5,200)	(6,535)	-	(11,735)
Total Assets	14,020	988,856	990	1,003,866
Liabilities				
Accounts Payable	523	-	794	1,317
Accrued Interest Payable	-	7,400	-	7,400
Noncurrent Liabilities:				
Due Within One Year	-	116,667	-	116,667
Due in More Than One Year	-	530,139	-	530,139
Total Liabilities	523	654,206	794	655,523
Net Assets				
Invested in Capital Assets Net of Related Debt	-	26,137	-	26,137
Unrestricted	13,497	308,513	196	322,206
Total Net Assets	\$ 13,497	\$ 334,650	\$ 196	\$ 348,343

See Accompanying Notes to the Financial Statements.

BEDFORD TOWNSHIP

**STATEMENT OF ACTIVITIES - COMPONENT UNITS
FOR THE YEAR ENDED JUNE 30, 2007**

Functions/Programs	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Assets</u>			<u>Total</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Economic Development Authority</u>	<u>Downtown Development Authority</u>	<u>Brownfield Redevelopment Authority</u>	
<i>Economic Development Authority</i>								
General Government	\$ 34,283	\$ -	\$ -	\$ -	\$ (34,283)	\$ -	\$ -	\$ (34,283)
				-	-	-		-
<i>Downtown Development Authority</i>				-	-	-		-
General Government	4,369	-	-	-	-	(4,369)		(4,369)
Interest on Long-Term Debt	35,466	-	-	-	-	(35,466)		(35,466)
	<u>39,835</u>	<u>-</u>	<u>-</u>	<u>-</u>				
<i>Brownfield Redevelopment Authority</i>								
General Government	512	500	-	-			(12)	(12)
	<u>512</u>	<u>500</u>	<u>-</u>	<u>-</u>				
Total Component Units	<u>\$ 74,630</u>	<u>\$ 500</u>	<u>\$ -</u>	<u>\$ -</u>	(34,283)	(39,835)	(12)	(74,130)
General Revenues:								
Property Taxes					-	237,846	357	238,203
Miscellaneous					35,028	-	-	35,028
Unrestricted Investment Earnings					324	45,095	56	45,475
Transfers					-	-	-	-
Total General Revenues and Transfers					<u>35,352</u>	<u>282,941</u>	<u>413</u>	<u>318,706</u>
Change in Net Assets					1,069	243,106	401	244,576
Net Assets - Beginning					<u>12,428</u>	<u>91,544</u>	<u>(205)</u>	<u>103,767</u>
Net Assets - Ending					<u>\$ 13,497</u>	<u>\$ 334,650</u>	<u>\$ 196</u>	<u>\$ 348,343</u>

See Accompanying Notes to the Financial Statements.

- NOTE 1 - Summary of Significant Accounting Policies*
- NOTE 2 - Reconciliation of Government-Wide and Fund Financial Statements*
- NOTE 3 - Stewardship, Compliance and Accountability*
- NOTE 4 - Deposits and Investments*
- NOTE 5 - Receivables*
- NOTE 6 - Capital Assets*
- NOTE 7 - Interfund Receivables, Payables and Transfers*
- NOTE 8 - Leases*
- NOTE 9 - Long-term Debt*
- NOTE 10 - Restricted Assets*
- NOTE 11 - Risk Management*
- NOTE 12 - Other Post-Employment Benefits*
- NOTE 13 - Employee Retirement Plan*
- NOTE 14 - Pending Litigation*
- NOTE 15 - Compensated Absences*
- NOTE 16 - Deferred Compensation Plan*
- NOTE 17 - Monroe County Joint Powers Water Contracts
(South County Water System)*
- NOTE 18 - Required Supplementary Information*
- NOTE 19 - Conduit Debt*
- NOTE 20 - Prior Year Restatement*

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Bedford Township conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of the significant accounting policies used by Bedford Township:

A - Reporting Entity

Bedford Township is a municipal corporation governed by an elected seven member board. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Although blended component units are legal separate entities, in substance, they are part of the government's operations. Discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the government.

Blended Component Unit - The Township has no blended component units.

Discretely Presented Component Units -The Economic Development Corporation is used to issue bonds to promote commercial and industrial growth. All bonds are issued in accordance with the provisions of Act No. 270 and were to be repaid solely from net revenues received from the project under contract and the bonds shall never constitute a general obligation of the Economic Development Corporation of the Township of Bedford. The Township appoints the governing body of the Corporation, approves budgets, tax levies and debt issues. The Corporation is reported as a governmental fund.

The Downtown Development Authority is a tax increment district that provides infrastructure to promote development or redevelopment. The Authority may issue debt which is repaid from assessments or tax increment captures. The Township appoints the governing body of the Authority, approves budgets, tax levies and debt issues. The Authority is reported as a governmental fund.

The Brownfield Redevelopment Authority is a separate legal entity created to finance environmental cleanup within the Township. The Township appoints the governing body of the Authority, approves budgets, tax levies and debt issues. The Authority is reported as a governmental fund.

Complete financial statements for each of the individual component units may be obtained at the Bedford Township office.

B - Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenue.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

C - Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, expenditures relating to compensated absences, and claims and judgments are recorded only when payment is due.

Property taxes, state-shared revenue, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered available only when cash is received by the government.

Bedford Township property tax is levied on each December 1st on the taxable valuation of property (as defined by State statutes) located in the Bedford Township as of the preceding December 31st. Although the Bedford Township 2006 ad valorem tax is levied and collectible on December 1, 2006, it is the Bedford Township's policy to recognize revenue from the current tax levy in the current year when the proceeds of this levy are budgeted and made "available" for the financing of operations. "Available" means collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period (within 60 days). The 2006 taxable valuation of the Bedford Township totaled \$1,019,753,018 million, on which advalorem taxes levied consisted of .7918 mills for the Bedford Township operating purposes, .1256 mills for sewer debt, .898 mills for fire protection, .7185 mills for library improvements and operations, .2394 mills for park operations, .1964 mills for bus transportation, and .400 mills for law enforcement. The taxes generated are recognized in the respective General, Special Revenue and Debt Service Fund financial statements as taxes receivable - current or as tax revenue.

The government reports the following major governmental funds:

The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Township Hall Construction Fund accounts for costs related to construction of a new Township government center.

The Road Improvement Fund accounts for costs related to various road improvements within the Township.

The Water Fund accounts for tap and assessment revenues, water system construction and related debt service.

The Greenhills Debt Fund accounts for assessment revenue and related debt service for a road project.

The government reports the following major proprietary funds:

The Sewer Fund accounts for the activities of the sewage collection and treatment system.

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Additionally, the government reports the following fund types:

The pension trust fund accounts for the activities of the township employees retirement system which accumulates resources for pension benefit payments to qualified employees.

The cemetery trust fund provides burial services for indigent township residents.

Private-sector standards of accounting issued prior to December 1, 1989, are generally followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with the standards of the Governmental Accounting Standards Board. The government has elected not to follow private-sector standards issued after November 30, 1989 for its business-type activities.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's water and sewer function and various other functions of the government. Eliminations of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenue include: (1) charges to customers or applicants for goods, services or privileges provided; (2) operating grants and contributions; and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenue rather than as program revenue. Likewise, general revenue includes all taxes.

Proprietary funds distinguish operating revenue and expenses from non-operating items. Operating revenue and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of our proprietary funds relate to charges to customers for sales and services. The water and sewer fund also recognizes tap fees as operating revenue. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as non-operating revenue and expenses.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Assets, Liabilities, and Net Assets or Equity

Bank Deposits and Investments--Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. Investments are stated at fair value.

Receivables and Payables--In general, outstanding balances between funds are reported as "due to/from other funds." Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as "advances to/from other funds." Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances."

All trade and property tax receivables are shown as net of allowance for uncollectible amounts. Property taxes are levied on each December 1st on the taxable valuation of property as of the preceding December 31st. Taxes are considered delinquent on March 1st of the following year, at which time penalties and interest are assessed.

Inventories and Prepaid Items--Inventories are valued at cost, on a first-in, first-out basis. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in both government-wide and fund financial statements.

Restricted Assets--The bonds of the enterprise funds require amounts to be set aside for construction, debt service principal and interest, operations and maintenance, and a bond reserve. These amounts have been classified as restricted assets, as well as amounts on deposit at the county being held for the construction or debt service of Bedford Township's water and sewer lines.

Capital Assets--Capital assets, which include property, plant, equipment, infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$500 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Interest incurred during the construction of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Property, plant and equipment is depreciated using the straight-line method over the following useful lives:

Buildings	50 years
Improvements Other than Buildings	5 to 20 years
Machinery and Equipment	3 to 15 years
Water and Sewer Lines	30 to 50 years
Infrastructure	20 to 50 years

Compensated Absences (Vacation and Sick Leave)--It is the government's policy to permit employees to accumulate earned but unused sick and vacation pay benefits. All vacation and sick leave pay is accrued when incurred in the government-wide, proprietary and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only for employee terminations as of year-end.

Long-Term Obligations--In the government-wide financial statements and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses. Issuance costs, whether or not withheld from actual debt proceeds received, are reported as debt service expenditures.

Fund Equity--In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

Comparative Data/Reclassifications--Comparative total data for the prior year have been presented only for individual enterprise funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

NOTE 2--RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

- A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets

The governmental fund balance sheet includes a reconciliation between fund balance - total governmental funds and net assets - governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that "long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds". The details of this \$8,741,088 are as follows:

Bonds payable	\$ (8,604,900)
Accrued interest payable	(50,016)
Compensated absences	<u>(86,172)</u>
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net assets - governmental activities</i>	<u><u>\$ (8,741,088)</u></u>

- B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances - total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that "-Governmental funds report capital outlays as expenditures; however, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense". The details of this \$1,725,870 are as follows:

Capital outlay	\$ 2,380,256
Depreciation	<u>(654,386)</u>
	<u><u>\$ 1,725,870</u></u>

Another element of that reconciliation states that "Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds." The details of this \$23,865 are as follows:

Compensated absences	\$ 4,050
Accrued interest	19,815
	<u><u>\$ 23,865</u></u>

NOTE 3--STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information--Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general and all special revenue funds. All annual appropriations lapse at fiscal year end. On or before the 1st day of April the Supervisor shall prepare and submit to the Township Board a recommended budget within the tax limit and other revenue sources of the Township covering the next fiscal year. A public hearing on the budget shall be held before its final adoption. On or before the end of the fiscal year, the Township Board shall adopt a budget for the ensuing fiscal year. The budget document presents information by fund, function, activity and line items. The legal level of budgetary control adopted by the governing body is the activity level. (i.e., The level at which expenditures may not legally exceed appropriations). The Supervisor is authorized to transfer budgeted amounts between line-items within an activity category; however, any revisions that alter the total expenditures of any activity must be approved by the Township Board.

Amounts encumbered for purchase orders, contracts, etc., are not tracked during the year. Budget appropriations are considered to be spent once the goods are delivered or the services rendered.

Excess of Expenditures Over Appropriations in Budgeted Funds-- During the year, Bedford Township incurred expenditures in certain budgeted funds which were in excess of the amounts appropriated, as follows:

Budget Item	Actual Expenditure	Budget Appropriation
<i>General Fund:</i>		
Ordinance	\$ 57,478	\$ 56,200
Legal	92,031	91,000
Police	593,241	568,000
Roads	344,189	271,000
Debt Service	222,903	185,600
Water Fund	255,001	243,000

These excess expenditures were funded by available fund balance.

Fund Deficits--Bedford Township had one accumulated fund balance/retained earning deficit.

Township Hall Construction	\$ <u>(164,808)</u>
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NOTE 4--DEPOSITS AND INVESTMENTS

Michigan Compiled Laws, Section 129.91, authorizes the local governmental unit to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations which have an office in Michigan. The local unit is allowed to invest in bonds, securities and other direct obligations of the United States or any agency or instrumentality of the United States; United States government or federal agency obligations; repurchase agreements; bankers' acceptance of United States banks; commercial paper rated within the two highest classifications which mature not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions which are rated as investment grade; and mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan.

The Local Governmental Unit Board has designated banks for the deposit of Local Unit funds. The investment policy adopted by the board in accordance with Public Act 196 of 1997 has authorized investment in bonds and securities of the United States government and bank accounts and CDs, but not the remainder of State statutory authority as listed above.

The Local Governmental Unit's deposits and investment policy are in accordance with statutory authority.

At year-end, the Local Unit's deposits were reported in the basic financial statements in the following categories:

<u>Primary Government</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Fiduciary Funds</u>	<u>Total</u>	<u>Bank Balance</u>
Cash and Cash Equivalents	\$ 9,619,645	\$ 3,158,679	\$ 5,847	\$ 12,784,171	\$ 12,735,907
Restricted Cash	304	5,312,421	-	5,312,725	5,312,725
Total	<u>\$ 9,619,949</u>	<u>\$ 8,471,100</u>	<u>\$ 5,847</u>	<u>\$ 18,096,896</u>	<u>\$ 18,048,632</u>
				Federal Depository Insurance Coverage	<u>\$ 300,000</u>
<u>Component Units</u>	<u>Economic Development Corporation</u>	<u>Downtown Development Authority</u>	<u>Brownfield Redevelopment Authority</u>	<u>Total</u>	<u>Bank Balance</u>
Cash and Cash Equivalents	\$ 14,020	\$ 749,566	\$ 990	\$ 764,576	\$ 764,626
				Federal Depository Insurance Coverage	<u>\$ 115,010</u>

NOTE 4--DEPOSITS AND INVESTMENTS (Continued)

Custodial Credit Risk of Bank Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Township evaluates each financial institution and assesses the risk level of each one, those with adequate risk levels are used for deposits. The Township has policy for this risk.

Custodial Credit Risk of Investments

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Township will not recover the value of its investments or collateral securities that are in the custody of an outside party. The Township has only investments in mutual funds in the amount of \$1,499,749 which are uninsured, unregistered and held by counterparties for the particular securities. The Township has no policy for this risk.

Interest Rate Risk

Interest rate risk is the risk that the value on investments will decrease as a result of a rise in interest rates. The Township has no policy for this risk. The Township has no policy with respect to investment maturities.

Credit Risk

State law limits investments in commercial paper to the top two ratings issued by a nationally recognized statistical rating organizations. The Township follows the state guidelines and has no investments in this category. The Township has no policy for this risk.

NOTE 5--RECEIVABLES

Receivables as of year-end for the government's individual major and nonmajor funds, and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<i>General Fund</i>	<i>Sewer Fund</i>	<i>Water Fund</i>	<i>Greenhills Debt Fund</i>	<i>Nonmajor Funds</i>	<i>Total</i>
Accounts	\$ 32,333	\$ 1,037,772	\$ 1,472	\$ -	\$ 3,087	\$ 1,074,664
Special Assessments	53,743	-	931,210	1,460,957	295,023	2,740,933
Tap-Ins	-	-	1,506	-	-	1,506
Grants and Loans	-	-	-	-	133,015	133,015
Gross Receivables	86,076	1,037,772	934,188	1,460,957	431,125	3,950,118
Less: Allowance for Uncollectibles	-	-	-	-	-	-
Net Receivables	<u>\$ 86,076</u>	<u>\$ 1,037,772</u>	<u>\$ 934,188</u>	<u>\$ 1,460,957</u>	<u>\$ 431,125</u>	<u>\$ 3,950,118</u>

Governmental funds report deferred revenue in connection with receivables for revenue that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received but not yet earned. At the end of the current fiscal year, the various components of deferred revenue are as follows:

	<i>Unavailable</i>
Loans and Grants	\$ 133,015
Special Assessments	<u>2,740,933</u>
Total	<u>\$ 2,873,948</u>

NOTE 6--CAPITAL ASSETS

Capital asset activity of the primary government for the current year was as follows:

Primary Government

	<i>Beginning Balance</i>	<i>Increases</i>	<i>Decreases</i>	<i>Ending Balance</i>
<u>Governmental Activities</u>				
Capital Assets Not Being Depreciated :				
Land	\$ 636,785	\$ -	\$ -	\$ 636,785
Construction in Progress	-	2,110,622	-	2,110,622
	<u>636,785</u>	<u>2,110,622</u>	<u>-</u>	<u>2,747,407</u>
Capital Assets Being Depreciated :				
Buildings	6,564,929	-	(25,000)	6,539,929
Improvements Other Than Buildings	103,440	-	-	103,440
Infrastructure	2,896,987	66,823		2,963,810
Machinery and Equipment	6,028,878	202,771	(28,778)	6,202,871
Subtotal	<u>15,245,430</u>	<u>269,594</u>	<u>(53,778)</u>	<u>15,810,050</u>
Less Accumulated Depreciation for :				
Buildings	1,144,497	220,494	(25,000)	1,339,991
Improvements Other Than Buildings	1,826	3,956		5,782
Infrastructure	261,204	59,277		320,481
Machinery and Equipment	3,657,838	370,659	(28,778)	3,999,719
Subtotal	<u>4,691,918</u>	<u>654,386</u>	<u>(53,778)</u>	<u>5,665,973</u>
Net Capital Assets Being Depreciated	<u>10,553,512</u>	<u>(384,792)</u>	<u>-</u>	<u>10,144,077</u>
Governmental Activities Total				
Capital Assets--Net of Depreciation	<u>\$ 11,112,157</u>	<u>\$ 1,725,830</u>	<u>\$ -</u>	<u>\$ 12,891,484</u>
<u>Business-Type Activities</u>				
Capital Assets Not Being Depreciated :				
Land	\$ 40,000	\$ -	\$ -	\$ 40,000
Construction in Progress	1,690,406	206,543	-	1,896,949
	<u>1,730,406</u>	<u>206,543</u>	<u>-</u>	<u>1,936,949</u>
Capital Assets Being Depreciated :				
Buildings and System	34,042,275	-	-	34,042,275
Machinery and Equipment	487,234	19,225	-	506,459
	<u>34,491,931</u>	<u>19,225</u>	<u>-</u>	<u>34,548,734</u>
Less Accumulated Depreciation for :				
Buildings and System	15,589,756	680,846	-	16,270,602
Machinery and Equipment	419,513	15,978	-	435,491
	<u>16,009,269</u>	<u>696,824</u>	<u>-</u>	<u>16,706,093</u>
Net Capital Assets Being Depreciated	<u>18,482,662</u>	<u>(677,599)</u>	<u>-</u>	<u>17,842,641</u>
Business-Type Activities Total				
Capital Assets--Net of Depreciation	<u>\$ 20,213,068</u>	<u>\$ (471,056)</u>	<u>\$ -</u>	<u>\$ 19,779,590</u>

Depreciation expense was charged to programs of the primary government as follows:

<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
General Government	\$ 78,866	Sewer	\$ 696,824
Public Safety	283,166		
Public Works	59,277		
Recreation and Culture	233,077		
Total Governmental Activities	<u>\$ 654,386</u>		

Construction Commitments

The Township has construction contract commitments in the amount of \$985,248 at June 30, 2007.

Discretely Presented Component Units

Capital asset activity of the Economic Development Corporation for the current year was as follows:

	<i>Beginning Balance</i>	<i>Increases</i>	<i>Decreases</i>	<i>Ending Balance</i>
Capital Assets Being Depreciated :				
Improvements Other Than Buildings	\$ 5,200	\$ -	\$ -	\$ 5,200
Less Accumulated Depreciation for :				
Improvements Other Than Buildings	5,200	-	-	5,200
Economic Development Corporation				
Capital Assets - Net	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Capital asset activity of the Downtown Development Authority for the current year was as follows:

	<i>Beginning Balance</i>	<i>Increases</i>	<i>Decreases</i>	<i>Ending Balance</i>
Capital Assets Being Depreciated :				
Infrastructure	\$ 32,672	\$ -	\$ -	\$ 32,672
Less Accumulated Depreciation for :				
Infrastructure	3,268	1,634	-	4,902
Downtown Development Authority				
Capital Assets - Net	<u>\$ 31,038</u>	<u>\$ (1,634)</u>	<u>\$ -</u>	<u>\$ 27,770</u>

NOTE 7--INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances is as follows:

Due To/From Other Funds

<i>Receivable Fund</i>	<i>Payable Fund</i>	<i>Amount</i>
General	Nonmajor	22,594
	Sewer	16,269
Nonmajor	Sewer	292
Total		<u>\$ 39,155</u>

Interfund Transfers

	<i>Transfers In</i>	
	<i>Non-Major Governmental Funds</i>	<i>Total</i>
Transfers Out:		
General Fund	<u>\$ 140,000</u>	<u>\$ 140,000</u>

NOTE 8--LEASES

Bedford Township had no lease obligations at June 30, 2007.

NOTE 9--LONG-TERM DEBT

The government issues bonds to provide for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the government. County contractual agreements and installment purchase agreements are also general obligations of the government. Special assessment bonds provide for capital improvements that benefit specific properties, and will be repaid from amounts levied against those properties benefited from the construction. In the event that a deficiency exists because of unpaid or delinquent special assessments at the time a debt service payment is due, the government is obligated to provide resources to cover the deficiency until other resources (such as tax sale proceeds or a re-assessment of the district) are received. Revenue bonds involve a pledge of specific income derived from the acquired or constructed assets to pay debt service.

Bond and contractual obligation activity can be summarized as follows:

	<i>Interest Rate</i>	<i>Principal Matures</i>	<i>Beginning Balance</i>	<i>Additions (Reductions)</i>	<i>Ending Balance</i>	<i>Due Within One Year</i>
Governmental Activities						
County Contractual Obligations						
Road Bonds-2002	2.75-4.0%	2012-13	\$ 700,000	\$ (100,000)	\$ 600,000	\$ 100,000
Road Bonds-2005	4.50%	2017-18	371,800	(16,900)	354,900	25,350
Water Line	2.0-3.5%	2011-12	1,110,000	(185,000)	925,000	185,000
Sewer	5.00%	2008-09	650,000	(200,000)	450,000	225,000
Limited Tax General Obligation						
Township Hall	3.5-4.2%	2026-27	-	1,955,000	1,955,000	65,000
Road Bonds-2006	4.00%	2021-22	-	1,840,000	1,840,000	130,000
Library Bonds	2.0-3.4%	2011-12	2,915,000	(435,000)	2,480,000	455,000
Total Governmental Activities			<u>\$ 5,746,800</u>	<u>\$ 2,858,100</u>	<u>\$ 8,604,900</u>	<u>\$ 1,185,350</u>
Business-Type Activities						
County Contractual Obligations						
Sewer System	2.00%	2012-13	\$ 2,565,000	\$ (345,000)	\$ 2,220,000	\$ 355,000
Sewer System-2005	3.8-4.05%	2020-21	1,350,000	(45,000)	1,305,000	35,000
Total Business-Type Activities			<u>\$ 3,915,000</u>	<u>\$ (390,000)</u>	<u>\$ 3,525,000</u>	<u>\$ 390,000</u>
Component Unit - Downtown Development Authority						
County Contractual Obligations						
Road Bonds-1999	4.2-5.0%	2011-12	<u>\$ 752,506</u>	<u>\$ (110,833)</u>	<u>\$ 641,673</u>	<u>\$ 116,667</u>

Annual debt service requirements to maturity for the above obligations are as follows:

<i>Year Ending June 30,</i>	<i>Governmental Activities</i>		<i>Business-Type Activities</i>		<i>Component Unit</i>	
	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>
2008	\$ 1,185,350	\$ 313,699	\$ 390,000	\$ 90,778	\$ 116,667	\$ 31,244
2009	1,210,350	275,882	405,000	82,063	122,500	25,876
2010	1,010,350	233,891	430,000	72,723	128,334	19,996
2011	1,038,800	195,225	435,000	62,948	134,172	13,708
2012	1,068,800	159,525	445,000	52,978	140,000	7,000
2013 and after	3,091,250	807,599	1,420,000	198,609	-	-
Total	<u>\$ 8,604,900</u>	<u>\$ 1,985,821</u>	<u>\$ 3,525,000</u>	<u>\$ 560,099</u>	<u>\$ 641,673</u>	<u>\$ 97,824</u>

NOTE 10--RESTRICTED ASSETS

The balances of the restricted asset (cash with fiscal agent) accounts in the proprietary fund are as follows:

Debt Retirement	\$ 249
Replacement	3,546,400
Construction	88,602
Operations	1,677,170
	<u>\$ 5,312,421</u>

NOTE 11--RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Township purchases commercial insurance for all of these risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three years. There were no significant reductions of insurance coverage from the prior year.

The Michigan Townships Participating Plan operates as an insurance purchasing pool for local units of government in Michigan. The Plan purchases commercial insurance on behalf of its members at a lower cost than would be available on an individual basis.

NOTE 12--OTHER POST-EMPLOYMENT BENEFITS

The Township has post-employment health and dental benefits provided to retired board members and employees. This plan is established by the Township Board as an ordinance.

The Township funds these benefits on a "pay-as-you-go" basis. The total cost of these benefits for the year ended June 30, 2007, was approximately \$6,300 and there were four participants who qualified for and received benefits for this year.

Future Reporting Change - Governmental Accounting Standards Board Statement No. 45 becomes effective for the year beginning July 1, 2009. This pronouncement will mandate the cost of providing retiree health care over the working life of the employee, be recognized in the government-wide financial statements.

NOTE 13--EMPLOYEE RETIREMENT PLAN

Defined Contribution Pension Plan

The Township provides pension benefits for all of its full time employees through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan, plus any investment earnings. The plan was established and may be amended by the Township Board.

Bedford Township contributes thirteen percent of base wages for each employee with the employee having an optional contribution of up to ten percent. An employee is fully vested after twenty-one months of service. An insurance company (Manulife Financial) administers the plan and the Township makes monthly contributions. The Township's total payroll for this year was \$1,740,420. The Township made the required contribution of \$151,125 on covered payroll of \$1,162,500.

All full time employees participate in the plan.

NOTE 14 -- PENDING LITIGATION

At present, there are no cases of litigation pending that would have a material effect on the financial statements.

NOTE 15 -- COMPENSATED ABSENCES

Compensated absence activity can be summarized as follows:

<i>Fund</i>	<i>Beginning Balance</i>	<i>Increases</i>	<i>Decreases</i>	<i>Ending Balance</i>	<i>Due Within One Year</i>
<u>Governmental</u>					
General Fund	\$ 66,825	\$	\$ (2,785)	\$ 64,040	\$ 3,000
Fire Fund	1,322	337	-	1,659	-
Building Inspection	16,975	6,497	-	23,472	-
	<u>\$ 85,122</u>	<u>\$ 6,834</u>	<u>\$ (2,785)</u>	<u>\$ 89,171</u>	<u>\$ 3,000</u>
<u>Business - Type</u>					
Sewer Fund	<u>\$ 7,210</u>	<u>\$ -</u>	<u>\$ (6,587)</u>	<u>\$ 623</u>	<u>\$ 300</u>

NOTE 16--DEFERRED COMPENSATION PLAN

The Bedford Township Board offers all Bedford Township employees a deferred compensation plan created in accordance with the Internal Revenue Code, Section 457. The assets of the plans were held in trust, (custodial account or annuity contract) as described in IRC Section 457 (g) for the exclusive benefit of the participants (employees) and their beneficiaries. The custodian thereof holds the custodial account for the beneficiaries of this Section 457 plan, and the assets may not be diverted to any other use. The Administrators are agents of the employer for purposes of providing direction to the custodian of the custodial account from time to time for the investment of the funds held in the account, transfer of assets to or from the account and all other matters. In accordance with the provisions of GASB Statement 32, plan balances and activities are not reflected in Bedford Township's financial statements.

NOTE 17 -- MONROE COUNTY JOINT POWERS WATER CONTRACTS (South County Water System)

Bedford Township, in conjunction with three other communities, has entered into a contract with the Monroe County Drain Commission to provide a water supply and water mains for each of the communities. This is considered a joint venture without an equity interest.

Each community's liability is computed annually using assessed property valuation as a basis. Therefore, Bedford Township's liability under this contract is presently undeterminable but, at this time, is estimated to be approximately 60% of the contract amount. The South County Water System currently makes all payments of principal and interest on these contracts, but the units of government will still be liable for principal should South County Water System not be able to meet the obligation.

The Township's estimated share of assets, liabilities, and fund equity is 60%. Summary financial information as of, and for the fiscal year ended December 31, 2006 is as follows:

	<i>South County Water System</i>
Cash and Investments	\$ 7,064,739
Other Assets	24,646,411
Total Assets	<u>31,711,150</u>
Total Liabilities	<u>4,812,892</u>
Total Net Assets	<u>\$ 26,898,258</u>
Total Revenue	\$ 4,677,819
Total Expenses	3,497,735
Net Change in Net Assets	<u>\$ 1,180,084</u>
Current Portion of Long-Term Debt	\$ 140,000
Long-Term Debt, Less Current Portion	4,119,700
Total Debt	<u>\$ 4,259,700</u>

Complete financial statements for this joint entity are in the 2006 Financial Statements of the Monroe County Drain Commission County Agency.

NOTE 18 -- REQUIRED SUPPLEMENTARY INFORMATION

Budgetary Information--Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general and all special revenue funds.

NOTE 19 -- CONDUIT DEBT

The Economic Development Corporation has issued bonds in the amount of \$6,103,077 due in full in 2024. All bonds are issued in accordance with the provisions of Act No. 270 and were to be repaid solely from net revenues received from the project under contract and the bonds shall never constitute a general obligation of the Economic Development Corporation of the Township of Bedford.

NOTE 20 -- PRIOR YEAR RESTATEMENT

The Sewer Fund prior year information has been restated to increase fixed assets in the amount of \$413,400, the effect of this is to increase net assets by the same amount for the prior period.

Required Supplementary Information

BEDFORD TOWNSHIP

GENERAL FUND

SCHEDULE OF REVENUE AND EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2007

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Taxes	\$ 829,000	\$ 829,000	\$ 847,380	\$ 18,380
Licenses and Permits	200,900	200,900	228,117	27,217
State Grants	1,935,000	1,935,000	1,966,400	31,400
Charges for Services	58,500	58,500	26,835	(31,665)
Fines and Forfeits	30,000	30,000	26,346	(3,654)
Interest	80,000	117,625	140,779	23,154
Other	96,950	236,950	334,418	97,468
Total Revenue	3,230,350	3,407,975	3,570,275	162,300
Expenditures:				
Current:				
General Government				
Township Board	62,600	62,600	50,154	12,446
Supervisor	108,950	108,950	108,355	595
Elections	61,100	61,100	51,725	9,375
Finance	60,100	60,100	53,884	6,216
Clerk	152,900	152,900	150,333	2,567
Board of Review	6,500	6,500	2,748	3,752
Treasurer	163,950	163,950	157,038	6,912
Assessing	183,750	188,550	180,921	7,629
Cemetery	8,000	8,000	2,058	5,942
Building and Grounds	309,800	1,309,800	308,736	1,001,064
Legal	61,000	91,000	92,031	(1,031)
Property - Other	175,500	183,325	178,107	5,218
Planning Commission	218,475	221,550	182,919	38,631
Board of Zoning Appeals	12,800	12,800	10,014	2,786
Township at Large	62,950	98,070	75,576	22,494
Beautification	10,000	10,000	5,071	4,929
Community Action	22,000	42,400	28,639	13,761
Emergency Management	5,000	5,000	1,800	3,200
Insurance	115,000	119,800	119,836	(36)
Fringe Benefits	382,900	392,900	381,167	11,733
Social Security	86,600	86,600	77,974	8,626
Senior Citizens	10,000	10,000	10,000	-
Total General Government	2,279,875	3,395,895	2,229,086	1,166,809
Public Safety				
Ordinance	56,200	56,200	57,478	(1,278)
Police	568,000	568,000	593,241	(25,241)
Mosquito Control	51,500	51,500	37,977	13,523
Total Public Safety	675,700	675,700	688,696	(12,996)
Public Works				
Drains	24,000	9,000	8,680	320
Street Lighting	33,000	173,000	165,307	7,693
Roads	150,750	271,000	344,189	(73,189)
Total Public Works	207,750	453,000	518,176	(65,176)
Debt Service				
Principal	100,000	100,000	145,000	(45,000)
Interest	32,500	85,600	77,903	7,697
Total Debt Service	132,500	185,600	222,903	(37,303)
Total Current Expenditures	3,295,825	4,710,195	3,658,861	1,051,334
Excess of Revenue Over				
(Under) Expenditures	(65,475)	(1,302,220)	(88,586)	1,213,634
Other Financing Sources (Uses):				
Operating Transfers to Other Funds	(140,000)	(140,000)	(140,000)	-
Operating Transfers from Other Funds	-	-	-	-
Total Other Financing Sources (Uses)	(140,000)	(140,000)	(140,000)	-
Excess of Revenue & Other Financing				
Sources Over Expenditures & Other				
Financing Uses	(205,475)	(1,442,220)	(228,586)	1,213,634
Fund Balance - Beginning	205,475	1,442,220	3,348,110	1,905,890
Fund Balance - Ending	\$ -	\$ -	\$ 3,119,524	\$ 3,119,524

BEDFORD TOWNSHIP**WATER FUND****SCHEDULE OF REVENUE AND EXPENDITURES AND CHANGES IN FUND BALANCE****BUDGET AND ACTUAL****FOR THE YEAR ENDED JUNE 30, 2007**

	<i>Budgeted Amounts</i>		<i>Actual</i>	<i>Variance with</i>
	<i>Original</i>	<i>Final</i>	<i>Amounts</i>	<i>Final Budget</i>
				<i>Positive</i>
				<i>(Negative)</i>
Revenue:				
Assessments	\$	\$	\$ 206,835	\$ 206,835
Interest			138,833	138,833
Other			37,334	37,334
Total Revenue	<u>310,000</u>	<u>310,000</u>	<u>383,002</u>	<u>383,002</u>
Current Expenditures:				
Public Works:				
Board Fees			500	
Professional Fees			36,783	
Other			-	
Debt Service:				
Principal			185,000	
Interest and Fiscal Charges			32,718	
Total Expenditures	<u>243,000</u>	<u>243,000</u>	<u>255,001</u>	<u>(12,001)</u>
Excess of Revenue Over (Under)				
Expenditures	67,000	67,000	128,001	61,001
Fund Balance, Beginning	<u>-</u>	<u>-</u>	<u>1,945,344</u>	<u>(1,945,344)</u>
Fund Balance, Ending	<u>\$ 67,000</u>	<u>\$ 67,000</u>	<u>\$ 2,073,345</u>	<u>\$ (1,884,343)</u>

Supplementary Information

BEDFORD TOWNSHIP
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2007

	Special Revenue							Debt Service		Debt Service		Total
	Park	Transit System	Building Inspection	Rehabilitation	Metro Act	Law Enforcement	Fire	Library	Sewer Debt Service	Fairfield Dr. Debt Service	Sarah Drive Debt Service	Nonmajor Governmental Funds
Assets												
Cash and Cash Equivalents	\$ 374,054	\$ 151,173	\$ 182,065	\$ 34,797	\$ 27,894	\$ 407,096	\$ 1,376,543	\$ 926,073	\$ 350,806	\$ 90,164	\$ 35,064	\$ 3,955,729
Prepaid Costs	1,945	-	518	-	-	-	29,130	745	-	-	-	32,338
Accounts Receivable	2,168	-	-	-	-	-	-	-	919	-	-	3,087
Loans Receivable	-	-	-	133,015	-	-	-	-	-	-	-	133,015
Grants Receivable	-	-	-	-	-	-	-	-	-	-	-	-
Assessments Receivable	-	-	-	-	-	-	-	-	-	270,113	24,910	295,023
Due From State	-	-	-	-	-	-	-	-	292	-	-	292
Due From Other Funds	-	-	-	-	-	-	-	-	304	-	-	304
Cash With Fiscal Agent	-	-	-	-	-	-	-	-	-	-	-	-
Total Assets	\$ 378,167	\$ 151,173	\$ 182,583	\$ 167,812	\$ 27,894	\$ 407,096	\$ 1,405,673	\$ 926,818	\$ 352,321	\$ 360,277	\$ 59,974	\$ 4,419,788
Liabilities And Fund Balance												
Liabilities:												
Accounts Payable	\$ 27,673	\$ 33,968	\$ 225	\$ 100	\$ -	\$ -	\$ 13,214	\$ 13,993	\$ -	\$ -	\$ 28,941	\$ 118,114
Accrued Wages	431	-	6,891	-	-	-	2,038	265	-	-	-	9,625
Accrued Payroll Taxes	-	-	1,082	-	-	-	404	-	-	-	-	1,486
Due to Other Funds	-	-	21,484	-	-	-	-	1,110	-	-	-	22,594
Deferred Revenue	-	-	-	133,015	-	-	-	-	-	270,113	24,910	428,038
Total Liabilities	28,104	33,968	29,682	133,115	-	-	15,656	15,368	-	270,113	53,851	579,857
Fund Balance:												
Reserved	1,945	-	518	-	-	-	494,130	745	352,321	90,164	6,123	945,946
Total Reserved	1,945	-	518	-	-	-	494,130	745	352,321	90,164	6,123	945,946
Unreserved Undesignated	348,118	117,205	152,383	34,697	27,894	407,096	895,887	910,705	-	-	-	2,893,985
Total Fund Balance	350,063	117,205	152,901	34,697	27,894	407,096	1,390,017	911,450	352,321	90,164	6,123	3,839,931
Total Liabilities and Fund Balance	\$ 378,167	\$ 151,173	\$ 182,583	\$ 167,812	\$ 27,894	\$ 407,096	\$ 1,405,673	\$ 926,818	\$ 352,321	\$ 360,277	\$ 59,974	\$ 4,419,788

BEDFORD TOWNSHIP
COMBINING STATEMENT OF REVENUE, AND EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2007

	Special Revenue								Debt Service			Total Nonmajor Governmental Funds
	Park	Transit System	Building Inspection	Rehabilitation	Metro Act	Law Enforcement	Fire	Library	Sewer Debt Service	Fairfield Dr. Debt Service	Sarah Drive Debt Service	
Revenues:												
Taxes	\$ 239,617	\$ 195,851	\$ -	\$ -	\$ -	\$ 399,205	\$ 1,006,033	\$ 716,452	\$ 126,311	\$ -	\$ -	\$ 2,683,469
Licenses and Permits	-	-	271,065	-	25,427	-	-	-	-	-	-	296,492
Assessments	-	-	-	-	-	7,634	-	-	-	27,807	12,455	47,896
Interest	13,242	5,189	10,466	440	1	7,891	56,774	44,833	7,698	13,535	3,021	163,090
Other Revenue	18,890	-	-	16,953	-	-	10,952	-	11,249	-	-	58,044
Total Revenue	271,749	201,040	281,531	17,393	25,428	407,096	1,081,393	761,285	145,258	41,342	15,476	3,248,991
Expenditures:												
Current												
General Government	-	163,687	-	14,953	-	-	-	-	-	-	-	178,640
Public Safety	-	-	354,335	-	-	-	732,148	-	-	-	-	1,086,483
Public Works	-	-	-	-	-	-	-	-	-	-	-	-
Recreational and Cultural	144,241	-	-	-	-	-	-	128,670	-	-	-	272,911
Capital Outlay	94,877	-	-	-	25,900	-	114,033	10,159	-	-	-	244,969
Debt Service												
Principal	-	-	-	-	-	-	-	435,000	200,000	16,900	-	651,900
Interest and Fiscal Charges	-	-	-	-	-	-	-	80,733	29,550	14,443	28,941	153,667
Total Expenditures	239,118	163,687	354,335	14,953	25,900	-	846,181	654,562	229,550	31,343	28,941	2,588,570
Excess of Revenue Over (Under)												
Expenditures	32,631	37,353	(72,804)	2,440	(472)	407,096	235,212	106,723	(84,292)	9,999	(13,465)	660,421
Other Financing Sources (Uses):												
Bond Proceeds	-	-	-	-	-	-	-	-	-	-	-	-
Operating Transfers to Other Funds	-	-	-	-	-	-	-	-	-	-	-	-
Operating Transfers from Other Funds	140,000	-	-	-	-	-	-	-	-	-	-	140,000
Total Other Financing Sources (Uses)	140,000	-	-	-	-	-	-	-	-	-	-	140,000
Excess of Revenue & Other Sources Over (Under) Expenditures & Other Uses	172,631	37,353	(72,804)	2,440	(472)	407,096	235,212	106,723	(84,292)	9,999	(13,465)	800,421
Fund Balance - Beginning	177,432	79,852	225,705	32,257	28,366	-	1,154,805	804,727	436,613	80,165	19,588	3,039,510
Fund Balance - Ending	\$ 350,063	\$ 117,205	\$ 152,901	\$ 34,697	\$ 27,894	\$ 407,096	\$ 1,390,017	\$ 911,450	\$ 352,321	\$ 90,164	\$ 6,123	\$ 3,839,931

PARK FUND

SCHEDULE OF REVENUE AND EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2007

	<i>Budgeted Amounts</i>		<i>Actual</i>	<i>Variance with</i>
	<i>Original</i>	<i>Final</i>	<i>Amounts</i>	<i>Final Budget</i>
				<i>Positive</i>
				<i>(Negative)</i>
Revenue:				
Property Tax	\$	\$	\$ 239,617	\$ 239,617
Interest			13,242	13,242
Rental Revenue			18,202	18,202
Other			688	688
Total Revenue	<u>386,500</u>	<u>386,500</u>	<u>271,749</u>	<u>271,749</u>
Current Expenditures:				
Recreational and Cultural				
Board Fees			13,555	
Supplies			2,967	
Utilities			9,739	
Repairs and Maintenance			9,441	
Conferences and Workshops			2,262	
Recreation Commission			72,248	
Professional Services			3,151	
Memberships and Dues			770	
Janitorial Services			21,042	
Capital Outlay			94,877	
Refuse Collection			3,752	
Other			5,314	
Total Expenditures	<u>431,500</u>	<u>431,500</u>	<u>239,118</u>	<u>192,382</u>
Excess of Revenue Over (Under) Expenditures	<u>(45,000)</u>	<u>(45,000)</u>	<u>32,631</u>	<u>464,131</u>
Other Financing Sources (Uses):				
Operating Transfers In			140,000	(140,000)
Excess of Revenue and Other Sources Over (Under) Expenditures and Other Uses	<u>(45,000)</u>	<u>(45,000)</u>	<u>172,631</u>	<u>324,131</u>
Fund Balance, Beginning	<u>45,000</u>	<u>45,000</u>	<u>177,432</u>	<u>(132,432)</u>
Fund Balance, Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 350,063</u>	<u>\$ 191,699</u>

BEDFORD TOWNSHIP**TRANSIT SYSTEM****SCHEDULE OF REVENUE AND EXPENDITURES AND CHANGES IN FUND BALANCE****BUDGET AND ACTUAL****FOR THE YEAR ENDED JUNE 30, 2007**

	<i>Budgeted Amounts</i>		<i>Actual</i>	<i>Variance with</i>
	<i>Original</i>	<i>Final</i>	<i>Amounts</i>	<i>Final Budget</i>
				<i>Positive</i>
				<i>(Negative)</i>
Revenue:				
Property Taxes	\$	\$	\$ 195,851	\$ 195,851
Interest Income			5,189	5,189
Total Revenue	192,000	192,000	201,040	201,040
Current Expenditures:				
General Government				
Contracted Services			163,687	
Total Expenditures	174,000	174,000	163,687	10,313
Excess of Revenue Over (Under) Expenditures	18,000	18,000	37,353	211,353
Fund Balance, Beginning	-	-	79,852	79,852
Fund Balance, Ending	\$ 18,000	\$ 18,000	\$ 117,205	\$ 291,205

BEDFORD TOWNSHIP**BUILDING INSPECTION****SCHEDULE OF REVENUE AND EXPENDITURES AND CHANGES IN FUND BALANCE****BUDGET AND ACTUAL****FOR THE YEAR ENDED JUNE 30, 2007**

	<i>Budgeted Amounts</i>		<i>Actual</i>	<i>Variance with</i>
	<i>Original</i>	<i>Final</i>	<i>Amounts</i>	<i>Final Budget</i>
				<i>Positive</i>
				<i>(Negative)</i>
Revenue:				
Licenses and Permits	\$	\$	\$ 271,065	\$
Interest Revenue			10,466	
Total Revenue	325,000	325,000	281,531	(43,469)
Current Expenditures:				
Public Safety:				
Salary			240,658	
Fringe Benefits			76,717	
Supplies			338	
Software			-	
Professional Fees			9,057	
Conferences and Workshops			361	
Membership Dues and Publications			910	
Maintenance			2,215	
Other			24,079	
Capital Outlay			-	
Total Expenditures	476,000	476,000	354,335	121,665
Excess of Revenue Over (Under) Expenditures	(151,000)	(151,000)	(72,804)	78,196
Fund Balance, Beginning	151,000	151,000	225,705	(74,705)
Fund Balance, Ending	-	\$ -	\$ 152,901	\$ 3,491

BEDFORD TOWNSHIP**REHABILITATION FUND****SCHEDULE OF REVENUE AND EXPENDITURES AND CHANGES IN FUND BALANCE****BUDGET AND ACTUAL****FOR THE YEAR ENDED JUNE 30, 2007**

	<i>Budgeted Amounts</i>		<i>Actual</i>	<i>Variance with</i>
	<i>Original</i>	<i>Final</i>	<i>Amounts</i>	<i>Final Budget</i>
				<i>Positive</i>
				<i>(Negative)</i>
Revenue:				
Interest	\$	\$	\$ 440	\$
Loan Payments			16,953	
Total Revenue	9,900	9,900	17,393	7,493
Current Expenditures:				
General Government:				
Loans Expense			14,138	
Board Fees			815	
Total Expenditures	36,980	36,980	14,953	22,027
Excess of Revenue Over (Under) Expenditures	(27,080)	(27,080)	2,440	29,520
Fund Balance, Beginning	27,080	27,080	32,257	(5,177)
Fund Balance, Ending	\$ -	\$ -	\$ 34,697	\$ 24,343

BEDFORD TOWNSHIP**METRO ACT FUND****SCHEDULE OF REVENUE AND EXPENDITURES AND CHANGES IN FUND BALANCE****BUDGET AND ACTUAL****FOR THE YEAR ENDED JUNE 30, 2007**

	<i>Budgeted Amounts</i>		<i>Actual</i>	<i>Variance with</i>
	<i>Original</i>	<i>Final</i>	<i>Amounts</i>	<i>Final Budget</i>
				<i>Positive</i>
				<i>(Negative)</i>
Revenue:				
Fees	\$	\$	\$ 25,427	\$
Interest			1	
Total Revenue	<u>27,300</u>	<u>27,300</u>	<u>25,428</u>	<u>(1,872)</u>
Current Expenditures:				
Public Safety:				
Capital Outlay			25,900	-
Total Expenditures	<u>57,656</u>	<u>57,656</u>	<u>25,900</u>	<u>31,756</u>
Excess of Revenue Over (Under) Expenditures	<u>(30,356)</u>	<u>(30,356)</u>	<u>(472)</u>	<u>29,884</u>
Other Financing Sources (Uses):				
Operating Transfers Out			-	
Excess of Revenue and Other Sources Over (Under) Expenditures and Other Uses			(472)	
Fund Balance, Beginning	<u>30,356</u>	<u>30,356</u>	<u>28,366</u>	<u>(1,990)</u>
Fund Balance, Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,894</u>	<u>\$ 27,894</u>

BEDFORD TOWNSHIP
LAW ENFORCEMENT FUND
SCHEDULE OF REVENUE AND EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007

	<i>Budgeted Amounts</i>		<i>Actual</i>	<i>Variance with</i>
	<i>Original</i>	<i>Final</i>	<i>Amounts</i>	<i>Final Budget</i>
				<i>Positive</i>
				<i>(Negative)</i>
Revenue:				
Property Taxes	\$	\$	\$ 399,205	\$
Interest			7,891	
Total Revenue	400,000	400,000	407,096	7,096
Current Expenditures:				
Public Safety				
Contracted Services			-	
Total Expenditures	200,000	200,000	-	200,000
Excess of Revenue Over (Under) Expenditures	200,000	200,000	407,096	207,096
Other Financing Sources (Uses):				
Operating Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Excess of Revenue & Other Sources Over (Under) Expenditures & Other Uses	200,000	200,000	407,096	207,096
Fund Balance, Beginning	-	-	-	-
Fund Balance, Ending	\$ 200,000	\$ 200,000	\$ 407,096	\$ 207,096

BEDFORD TOWNSHIP
FIRE DEPARTMENT FUND
SCHEDULE OF REVENUE AND EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007

	<i>Budgeted Amounts</i>		<i>Actual</i>	<i>Variance with</i>
	<i>Original</i>	<i>Final</i>	<i>Amounts</i>	<i>Final Budget</i>
				<i>Positive</i>
				<i>(Negative)</i>
Revenue:				
Property Taxes	\$	\$	\$ 1,006,033	\$
Assessments			7,634	
Interest			56,774	
Other			10,952	
Total Revenue	<u>1,030,750</u>	<u>1,030,750</u>	<u>1,081,393</u>	<u>50,643</u>
Current Expenditures:				
Public Safety:				
Wages			378,060	
Social Security			28,366	
Fringe Benefits			25,021	
Legal			803	
Supplies			20,580	
Fuel			7,622	
Contracted Services			117,938	
Medical			4,321	
Training			8,819	
Maintenance			65,056	
Conferences			5,487	
Insurance			24,964	
Utilities			45,111	
Capital Outlay			114,033	
Total Expenditures	<u>1,064,497</u>	<u>1,064,497</u>	<u>846,181</u>	<u>218,316</u>
Excess of Revenue Over (Under)				
Expenditures	(33,747)	(33,747)	235,212	268,959
Fund Balance, Beginning	<u>33,747</u>	<u>33,747</u>	<u>1,154,805</u>	<u>1,121,058</u>
Fund Balance, Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,390,017</u>	<u>\$ 1,390,017</u>

LIBRARY FUND

SCHEDULE OF REVENUE AND EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2007

	<i>Budgeted Amounts</i>		<i>Actual</i>	<i>Variance with</i>
	<i>Original</i>	<i>Final</i>	<i>Amounts</i>	<i>Final Budget</i>
				<i>Positive</i>
				<i>(Negative)</i>
Revenue:				
Property Tax	\$	\$	\$ 716,452	\$
Other			-	
Interest			44,833	
Total Revenue	732,000	732,000	761,285	29,285
Current Expenditures:				
Recreational and Cultural				
Board Fees			3,085	
Office Supplies			-	
Operating Supplies			2,274	
Utilities			69,951	
Repairs and Maintenance			46,306	
Professional Services			4,570	
Rent Expense			0	
Water & Sewer Use Charges			1,941	
Other			543	
Capital Outlay			10,159	
Debt Service:				
Principal			435,000	
Interest and Fiscal Charges			80,733	
Total Expenditures	691,200	691,200	654,562	36,638
Excess of Revenue Over (Under)				
Expenditures	40,800	40,800	106,723	65,923
Other Financing Sources (Uses):				
Operating Transfers In	-	-	-	-
Excess of Revenue and Other Sources Over				
(Under) Expenditures and Other Uses	40,800	40,800	106,723	65,923
Fund Balance, Beginning	28,200	28,200	804,727	776,527
Fund Balance, Ending	\$ 69,000	\$ 69,000	\$ 911,450	\$ 842,450